

FACILITY MANAGEMENT PROCESS IMPROVEMENT FOR SMALL NATIONAL  
PARKS IN THE SOUTHEAST REGION OF THE UNITED STATES

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James Charles Jackson, Jr.

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FACILITY MANAGEMENT PROCESS IMPROVEMENT FOR SMALL NATIONAL  
PARKS IN THE SOUTHEAST REGION OF THE UNITED STATES

Approved by:

Dr. Linda Thomas-Mobley, Advisor

Dr. Felix. T. Uhlik III

Cliff Stern, Assistant Professor

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Government should be market-based. We should not be afraid of competition, innovation and choice. I will open government to the discipline of competition.

- George W. Bush

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## SUMMARY

The National Park Service is a Federal agency comprised of more than 370 units dispersed throughout the continental United States, Alaska, Hawaii, the South Pacific, and the Caribbean. Parks range in size from small monuments of less than an acre and no staff to large parks with thousands of acres and three- to four-hundred employees. The National Park employees approximately 20,000 employees engaged in a broad range of trades, administrative, professional, and scientific occupations. Approximately 11,700, of these employees are engaged in work activities that could be acquired from the private sector. The majority of those work activities are in park maintenance and facility management functions.

In August 2001, President George W. Bush initiated a Management Reform Agenda to charge agencies with responsibility for improving the effectiveness of government performance. Use of competitive sourcing, or the methodical examination of commercial work activities to determine the most cost-effective and efficient means to achieve the work, is one of five key objectives identified in the Agenda. Although all Federal agencies have been subject to the provisions of the Office of Management and Budget Circular A-76, Performance of Commercial Activities, since its inception, the National Park Service has not historically conducted competitive sourcing.

Many National Parks in the Southeast Region are categorized as “small” parks – that is they have staff ranging in size from less than ten to around sixty full time

equivalent positions. Because of the size of these parks, and the further distinction within the parks of discrete and even smaller commercial activities, competitive sourcing studies are not feasible. Accordingly, these parks are not engaged in formal A-76 procedures at this time. However, these small parks have historically and will continue to contract out select activities. Outsourcing and project based contracting are well-established practices, particularly in facilities and maintenance functions.

This thesis proposes that by implementing minor changes in current management and contracting procedures, small organizations in the National Park Service can achieve measurable improvements in efficiency and economy. Small parks can enhance existing decision-making processes by applying the principles, and procedures outlined for competitive sourcing studies to analyze how the work could best be performed in-house, to compare in-house performance to the private sector, and to determine the best means to carry out the work. The research uses case study methodology to demonstrate how the proposed application of established A-76 concepts can be employed to improve the effectiveness of government performance even in very small work activities.

# **CHAPTER 1**

## **INTRODUCTION**

### **BACKGROUND**

The National Park Service and other Federal agencies have been subject to the Office of Management and Budget Circular A-76, Performance of Commercial Activities since August 1983. Circular A-76 established policy for Federal agencies involved in performing recurring work that could potentially be acquired from private sector sources. Those products or services that could be obtained from private sector sources are referred to as “commercial work activities”. The Circular and supplemental documents outlined guidance and procedures for identifying what work is commercial in nature and what work is inherently governmental and for determining whether commercial work in government agencies should be conducted using in-house governmental facilities and personnel or whether it should be contracted out to private sector sources. Although Federal agencies have been subject to Circular A-76 since its inception, until recently the National Park Service and most non-defense agencies applied the provisions of the circular sporadically, if at all.[1]

In August 2001, President George W. Bush initiated a Management Reform Agenda [2]to identify and address inefficiencies in Federal government operations. The President’s Management Agenda charges agencies with responsibility for analyzing how effectively Federal government agencies accomplish work. The agenda further identifies

five key objectives for implementing improvements in Federal government performance. One of those objectives is competitive sourcing. In reaction to the President's Management Agenda and OMB mandates relating to competitive sourcing, the National Park Service initiated limited competitive sourcing efforts. The Service to a large extent planned to meet competitive sourcing goals by selectively using the "direct conversion" provisions of Circular A-76 for activities with less than ten full time equivalents. During these initial competitive sourcing efforts more than 800 positions were contracted through direct conversion.

On May 29, 2003 the Office of Management and Budget issued a major revision to Circular A-76[3] implementing the provisions of the FAIR Act and making substantial changes in the competitive sourcing process, some of which have significant implications for the National Park Service. One major change is that agencies can no longer use direct conversions to outsource work. The new rules require agencies to conduct a cost and performance evaluation of government versus commercial performance before making a decision to contract work to commercial sources. Prior to the revision, there was no requirement to analyze and document whether the work could be performed more effectively by the commercial source than by the government before making direct conversions. This is a key issue for the National Park Service, and particularly for small National Parks, which have historically contracted numerous work activities without performing such analyses. The revised Circular also established a means to conduct a preliminary planning review to take a detailed look at commercial activities before proceeding with formal competitive sourcing studies. Integral components of the

preliminary planning process include determining what work needs to be done and developing a performance work statement, completing a market analysis to determine the cost to acquire the work from the private sector, and determining the cost for performing the work with government resources. The cost analysis for government performance can be based on the existing organization. However, the process also allows and encourages the government to examine itself and to determine if it could perform the work more effectively. If so, the government can develop a Most Effective Organization (MEO) in the preliminary planning process and to use the cost of the MEO in the competitive sourcing determination.

Because of the Presidential initiative to improve the efficiency of government operations and the revised Circular A-76, competitive sourcing is now in the forefront of management concerns in the National Park Service. However, conducting formal competitive sourcing studies in small parks is not feasible. Nonetheless, every organization is responsible for improving performance. This research shows that with minor changes in current management and contracting procedures, small organizations in the National Park Service can apply competitive sourcing procedures and guidelines to achieve improvements in government performance.

## **CONTRACTING AND A-76 IN THE NATIONAL PARK SERVICE**

The National Park Service is comprised of more than 370 units dispersed throughout the continental United States, Alaska, Hawaii, the South Pacific, and the Caribbean. Parks range in size from small monuments of less than an acre and no staff to

large parks such as Grand Canyon and the Great Smoky Mountains, with thousands of acres and three- to four-hundred employees. Geographically parks are found in locations ranging from major metropolitan areas to some of the most remote regions of the country to isolated areas accessible only by boat or air travel.

The National Park employees approximately 20,000 employees engaged in a broad range of trades, administrative, professional, and scientific occupations. Work activities include a broad spectrum of specialties such as tall mast ship rigging, animal husbandry, cave and underwater exploration, scientific research, archeology, engineering, law enforcement, criminal investigation, education and interpretation, and historical research, as well as traditional trades, professional, and administrative occupations.

Based on FAIR Act and Circular A-76 guidelines, the National Park Service has determined that approximately 11,700, of these employees are engaged in commercial work activities. Throughout the service the majority of commercial work activities are in park maintenance and facility management functions.

The National Park Service has mandated the Southeast Region to study approximately 250 full time equivalents during fiscal years 2003 and 2004. The majority of the positions selected for study are in the maintenance and facility functions. The Region is currently in the process of conducting standard competitive sourcing studies of the maintenance functions at Natchez Trace Parkway and the Great Smoky Mountains

National Park. A streamlined competitive sourcing study of archeological activities was completed at the Southeast Regional Archeological Center (SEAC).

Although the National Park Service (Service) did not systematically apply the provisions of the original Circular A-76, the Service has historically made extensive use of contracts with private sector sources to acquire products and services.[4] When park managers in the Southeast Region determine commercial work can most effectively or economically be performed by commercial entities, the work has been contracted out. In other words, management has frequently made decisions to contract work based on analysis of the cost of doing the work with in-house government employees, familiarity with the availability and cost of local commercial sources, budget and personnel constraints, workload, skills imbalances, and other factors.[5] Generally there has been no consistent documented record of the analytical processes leading to decisions to contract the work or of the “competitive” determinations that the work could be performed more effectively by commercial sources rather than by government employees. Accordingly, while such contracting activities are presumed to have been in the best interest of the government, they do not fully meet the competitive intent and requirements of the revised Circular A-76. Because of the lack of documented analysis they have been dubbed “outsourcing” rather than “competitive sourcing”. In many cases, with adequate documentation of the decision process, these activities would meet the intent and requirements of “competitive sourcing”. With minimal changes in established decision making processes and contracting procedures, parks in the Southeast Region of the Service can comply with the President’s Management Agenda to use

competitive sourcing to look for better ways to carry out the work of the organization. In addition to achieving compliance, use of the procedure developed in this research will enable parks to validate that contracting decisions are effective, to minimize the costs of conducting competitive sourcing activities, and to support the competitive sourcing objectives of the Service.

In compliance with the President's Management Agenda, The Federal Activities Inventory Reform Act (PL 105-270) and 2003 Circular A-76, the National Park Service has developed and is implementing a competitive sourcing plan. The Southeast Region has completed the required commercial activities inventories and has planned and/or initiated competitive sourcing studies of several activities. Competitive sourcing studies are time-, labor-, and cost-intensive processes. Experiences from other Federal agencies show that each study generally takes from twelve to eighteen months, involves numerous government personnel for an extended period of time, and requires the expertise of an outside or contracted consultant. Cost estimates for conducting the competitive sourcing studies in government agencies vary widely, frequently ranging as high as several thousand dollars for each position or "full time equivalent" (equal to one full-time job for one year) of work studied.[6] Documents posted on the internal website of the Bureau of Land Management, a sister bureau of the National Park Service within the Department of Interior, show that forty-seven competitive sourcing studies involving a total of approximately 372 full time equivalents have averaged a cost of \$5,229 per full time equivalent.[7] Impact on employee productivity, morale, and work performance during studies has not been well documented. Anecdotal accounts indicate loss of productivity,



low morale, increased attrition, and loss of productivity are common by-products of a competitive sourcing study, and that those impacts are significant regardless of the eventual outcome of the study. A 2003 survey of National Park Service employees indicated that about sixty-six percent of those who responded were highly concerned about competitive sourcing efforts. Primary concerns included contracting mission critical work out, loss of jobs, and loss of talent and knowledge within the agency.[8]

## **SCOPE OF THE RESEARCH**

While competitive sourcing requirements are applicable to all commercial activities in the National Park Service, the scope of this research is limited to study of the potential for applying competitive sourcing principles and procedures to commercial activities in small parks in the Southeast Region. The Region is not conducting studies in small parks at this time, and small parks will probably not be targeted for official studies in the near future. This research is based on an assumption that these parks could increase efficiency and economy by evaluating their work requirements and the way they accomplish work. Many of these parks have organizational structures that were established years ago and have continued essentially unchanged.

## **OBJECTIVE**

The objective of this research is to outline a process by which small parks can apply competitive sourcing principles and procedures to traditional and familiar decision making processes.

## **HYPOTHESIS**

The research proposes that by making relatively minor changes in the techniques parks are currently using to carry out management and contracting activities, small parks in the Southeast region can realize marked improvements in the performance of work. A simple change in the culture of these work units can result in significant improvements in their cost effectiveness and economy. This research presents an alternative that meets the intent and definition of competitive sourcing – it complies with the President’s Management Agenda for more effective government, is coordinated with the requirements of the Federal Activities Inventory Reform Act, uses procedures prescribed by Circular A-76, and is carried out in accordance with the Federal Acquisition Regulations.

## **RESEARCH METHODOLOGY**

The research describes use of the proposed alternative via a case study. The case involves a commercial work activity at Chattahoochee River National Recreation Area. The activity has previously been considered for direct conversion. In the study documents are developed and structured to parallel the rules, regulations and processes required for a streamlined competitive sourcing study and competition. Accordingly, the methodology presented in this research could be used immediately to document the competitive process for the particular Chattahoochee River National Recreation Area work activity presented. However, even in the absence of an official competitive

sourcing study it could be applied to determine the most effective means to perform the work. It could also be readily adapted for similar work activities at Chattahoochee and at numerous small to medium sized National Parks.

## **CHAPTER 2**

### **COMPETITIVE SOURCING AND THE PRESIDENT'S MANAGEMENT AGENDA**

#### **THE MOVE TOWARD COMPETITIVE SOURCING**

The impact of Federal government activities on the private sector has long been an issue in American politics. Early concerns focused on management and accountability of Federal budget dollars, the power of the legislature, and the process by which the Federal budget was managed. The Budget and Accounting Act of 1921 (PL 13) evolved from those growing public concerns, particularly as manifested in legislative corruption in relation to management of the Federal Budget. The Budget and Accounting Act is best known for establishing an executive budget process in which the President is required to submit a consolidated budget for Congressional consideration each year. Just as significantly from a competitive sourcing viewpoint, the act created the Bureau of the Budget, now known as the Office of Management and Budget (OMB) and the General Accounting Office (GAO). The Bureau of the Budget was established to assist the President in preparing the budget proposals. The General Accounting Office was charged with assisting Congress in assuring budget accountability in the Federal sector.[9]

Along with issues regarding appropriate management of government funds, concerns regarding the impact of Federal government activities on private business were evolving. In 1932, a U.S. House of Representatives committee report addressed concerns

regarding government performance of work that could be provided by the private sector.[10] During the depression years unfair competition from government agencies was cited as a major factor contributing to limited economic growth in the private sector. During those years indications were that in many cases work performed by Federal agencies either competed with or duplicated work available in the private sector.[11] Legislation restricting government performance of work available from the private sector was recommended as early as the 1940s by the Hoover Commissions.[10]

In 1955, in the face of impending legislation requiring the Executive branch of the Federal government to use private sector sources, the Eisenhower administration issued Bureau of the Budget Bulletin 55-4 establishing policy limiting government performance of work that could be provided by the private sector. Eisenhower's policy stipulated:

“It is the policy of the Government of the United States to rely on commercial sources to supply the products and services the government needs. The federal government will not start or carry on any commercial activity to provide a service or product for its own use if such product is or service can be procured from a private enterprise through ordinary business channels.”[11]

This Presidential declaration has survived numerous administrations, both Democratic and Republican, and is still in effect today. The Eisenhower proclamation is the implicit beginning of the competitive sourcing initiative as we know it today.

In 1966, the Office of Management and Budget (former Bureau of the Budget) incorporated Eisenhower's policy into OMB Circular A-76, which provided the first

guidance to Federal agencies for performing commercial activities. Over the next decade the Circular was amended several times, but was not strictly enforced.

August 4, 1983 the Office of Management and Budget issued a substantially revised Circular A-76, rescinding the original 1966 document and subsequent amendments. The 1984 Circular A-76 established Federal policy; provided general guidance, definitions and concepts for managing commercial activities; and outlined procedures for Executive departments to use in competitive sourcing. The Circular imposed the requirement for Federal agencies to inventory their commercial activities, defined the term “inherently governmental”, provided examples of inherently governmental functions, and established reporting requirements.[12]

Fundamentally the policy established in the Circular is intended to enhance the productivity of the Federal government by eliminating duplication of goods and services produced by the federal workforce and transferring production of these goods and services to the private sector. The policy was founded on the premise that in many cases the private sector could produce these goods and services more inexpensively and efficiently because of the intense competition in that sector. The inference was also that the overall well being of the economy would benefit by stimulated growth of the private sector through the influx of federal funds for goods and services.

Circular A-76 clearly stated that some governmental functions inherently must remain governmental. Work or functions included in this designation include the act of

governing, the discretionary exercise of governmental authority, judicial functions, foreign relations, the collection of intelligence and counter intelligence, the regulation of industry and commerce, and law enforcement. Tax collection and disbursements are also considered inherently governmental functions.[12]

In subsequent years government competition with the private sector remained an area of concern. Compliance and accountability with the provisions of OMB Circular A-76 varied significantly among Federal agencies and between administrations. Throughout 1980's and 1990's members of Congress proposed several bills limiting or prohibiting government competition with the private sector, but none were passed into law.[11]

In 1998, during the Clinton administration, Congress finally codified into law certain provisions of the government policy on management of commercial activities. The Federal Activities Inventory Reform Act of 1998 (PL 105-270)[13], commonly referred to as the FAIR Act, maintained many of the provisions of policy as established by Circular A-76. The FAIR Act provided the legal impetus for Federal agencies to move the competitive sourcing process forward and to a means for the Office of Management and Budget and Congress to hold agencies accountable for implementing the process. The Act mandates that Federal agencies inventory and evaluate all work performed by federal workers, to identify work (positions) that are commercial in nature, and, after consultation with the Office of Management and Budget, to provide a copy of the inventory to Congress and to make the inventory available to the public. The Act also

requires agencies to re-evaluate the positions annually. Other key points include reiteration of the requirement for the Office of Management and Budget to review inventories, guidance to Federal agencies for determining what is inherently governmental and what is commercial, and direction that employees be actively involved with the inventory and evaluation process. The Act also established an appeal procedure for any “Interested Party” to challenge inclusion or exclusion of a particular work function as a designated commercial activity.[14] During the Clinton Administration, agencies identified approximately 850,000 of the approximately 1.8 million positions in the Federal sector as commercial. This figure represents roughly 47% of the federal work force.[11]

In May 2003 the Office of Management and Budget issued a substantial revision to Circular A-76[3], rescinding the former circular and all supplemental guidance. The 2003 Circular A-76 incorporated provisions of the FAIR Act, aligned competitive sourcing with the Federal Acquisition Regulation, and substantially revised competitive sourcing processes and time frames. The Circular fundamentally reversed the Eisenhower concept that the government should not compete with the private sector for services that can be provided commercially. Under the auspices of the revised Circular, competition is the driving force for maximizing performance efficiency of commercial activities. Among other changes, the revised circular increases agency accountability and compliance by establishing requirements for an appointed senior level Competitive Sourcing Officer; requires inventory, justification, and public listing of inherently governmental jobs and provides for challenges of the inventory; establishes a requirement



for preliminary planning for competitive sourcing studies; changes the process and procedures for standard or full-scope competitions; eliminates direct conversions; establishes a streamlined process for studies of activities with fewer than sixty-five full time equivalents; establishes shorter timeframes for study completion; and establishes provisions to increase post-study accountability.[15] For the purposes of this research, and for a large number of National Park Service commercial functions, the most significant changes include elimination of the direct conversion option and the provisions and guidelines established for streamlined competitions. Elimination of the direct conversion as an option provides the stimulus for management of small parks and commercial functions to employ the guidelines for streamlined studies in management and contracting decision-making processes. Under these guidelines the agency can and should engage in a preliminary planning process to develop a performance work statement; reshape the current organization into a better or Most Effective Organization; and conduct a market analysis to determine the cost for private industry to perform the work. The new Circular also provides for consideration of performance as well as cost in making a competitive sourcing determination, and for using expedited acquisition processes to contract for work with private industry.

The standard and streamlined competitive sourcing processes as illustrated in Figures 1 and 2 below.

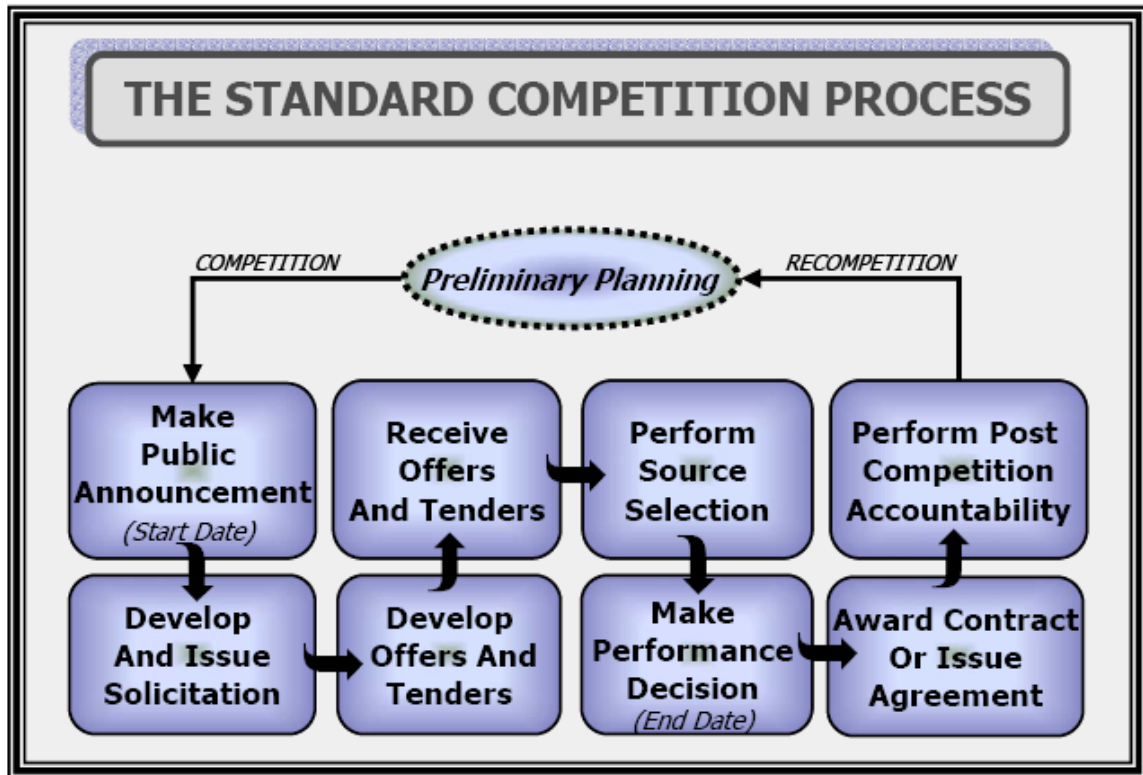


Figure 1 STANDARD COMPETITION PROCESS

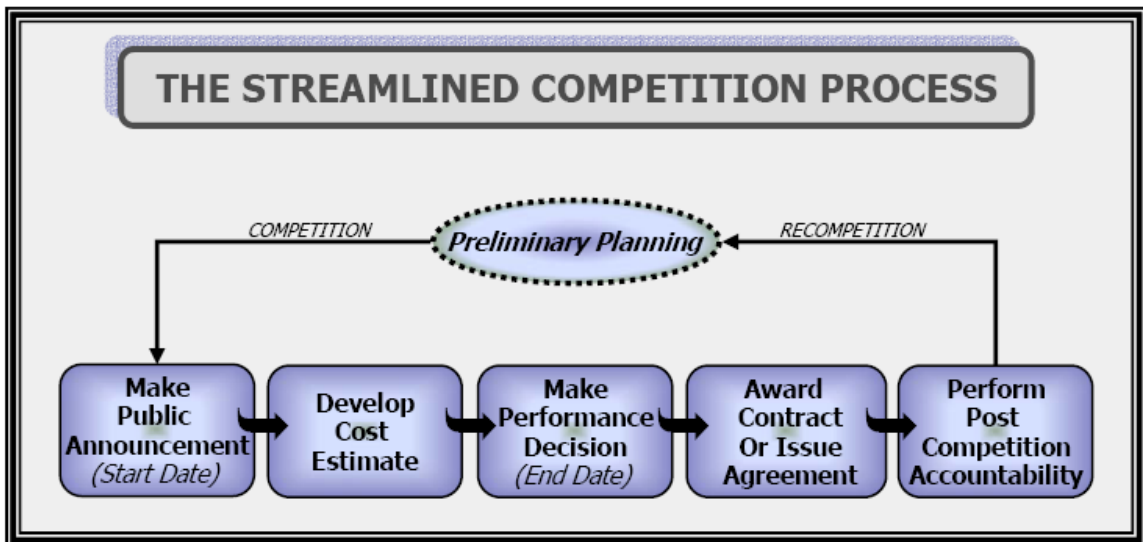


Figure 2 STREAMLINED COMPETITION PROCESS

## **MOVING TOWARDS THE PRESIDENTIAL AGENDA**

“There is nothing more difficult to carry out, nor more doubtful of success,  
nor more dangerous to manage, than to initiate a new order of things”

- Machiavelli, 1496

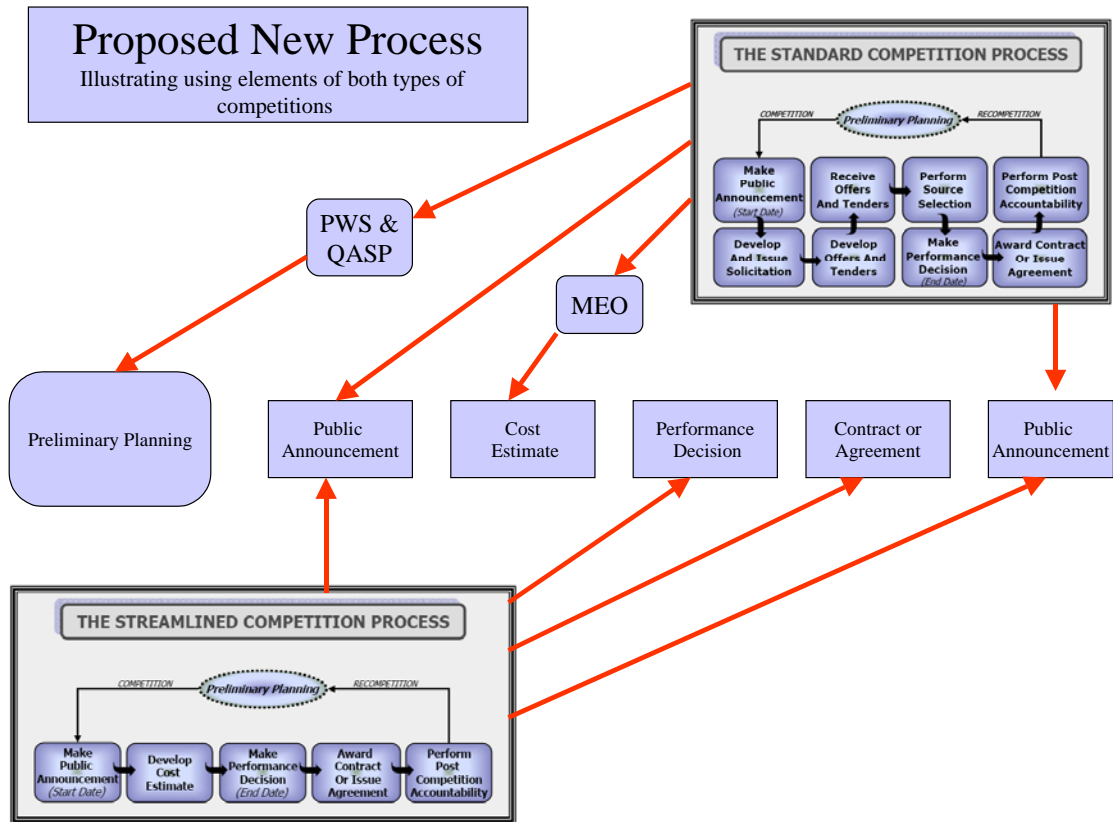
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As each presidential administration changes a push towards a different approach to government business processes often surfaces. The Federal civilian sector must be flexible and adaptable to affect the changes indicated by the office of the chief executive. The change process is often disruptive to the civilian work force within our Federal system. Every four to eight years the transition process emerges, and the civilian career work force begins to evolve into a different animal.

In our democratic society, government employees must view the changes of administrations as the “will of the people”. As public service employees, all career Federal managers are ethically and legally obligated to support and implement new Presidential policy endeavors and initiatives. However, implementation of initiatives and programs such as A-76 generally allow for some degree of flexibility and interpretation by managers within Federal agencies. As a result, comparisons of initiatives such as A-76 among different agencies often result in the impression that there is no consistency from agency to agency. However, scrutiny of the dynamics and analysis of the processes generally indicate close compliance with the spirit and objectives of new initiatives. The ability of managers to exercise judgment and discretion in the implementation and

administration of new programs makes consideration of alternative processes a viable means to accomplish the objective of the initiative.

This research proposes that managers of small National Parks can exercise such discretion to adapt the concepts, principles and processes of competitive sourcing as defined in the May 2003 Circular A-76 to carry out routine contracting decisions and to improve the effectiveness of government operations. The Circular embraces the concept that competition will result in improved efficiency and economy. The implementing guidelines establish a premise that government performance can be improved, and by eliminating direct conversion, establish a process for government organizations to examine themselves as an integral part of the contracting process. By applying the competitive sourcing concepts and procedures to well established contracting processes, managers of small National Parks can produce measurable improvements in work performance. The process proposed incorporates elements from both the standard and streamlined competition processes, as shown in Figure 3 below.



**Figure 3 PROPOSED NEW PROCESS**

## **CHAPTER 3**

### **METHODOLOGY**

#### **OVERVIEW**

This research employed a literature review of competitive sourcing history, regulations, and experiences in the Federal sector and of the President's Management Agenda. The review involved study of original written or transcribed documents including but not limited to, Congressional testimony, ratifications and laws, Presidential goals and policies, labor union statements and posturing, private industry position papers, other agency studies and evaluations of the A-76 process, and Department of Interior, National Park Service, and Southeast Region competitive sourcing plans. Contemporaneous documents produced during the ongoing competitive sourcing processes of the National Park Service and other agencies were included in the process. Based on the literature review, it became clear that formal competitive sourcing studies are probably not feasible for many small parks and organizations in the Southeast Region of the National Park Service. It also became apparent that even if formal competitive sourcing studies are not conducted, the processes outlined in the preliminary planning stages of streamlined studies could possibly result in more effective and efficient performance of government work. The objective of this research is to demonstrate that by implementing relatively minor changes in current management and contracting practices small parks can use competitive sourcing methodology to achieve improvements in work performance.

In developing and testing this hypothesis, the research employed case study methodology to examine competitive sourcing in the National Park Service and to apply the hypothesis to a commercial activity. Research incorporated analysis of first-hand experience organizing and managing maintenance operations in four different National Parks, application of lessons learned through extensive experience in contracting out park work, discussions with peers and supervisors, interviews with competitive sourcing officials and managers in the Southeast Region, and case evaluation of park maintenance organizational structures. Position management techniques and an understanding of basic personnel classification standards in the National Park Service maintenance function were used to formulate appropriate changes in position functions in the case studies. Knowledge of the actual work National Park maintenance operations carry out and how those functions relate to organizational structures and pay rates were also considered in the formulation of the case studies. Applications suggested in this document were formulated from my experienced point of view and filtered using concepts developed through the literature review of A-76 literature and documents related to the Presidential Management Agenda.

## **COMPETITIVE SOURCING FOR THE SMALL ORGANIZATION**

The sixty-four parks in the Southeast Region are comprised of a variety of national parks, historic sites, recreation areas, monuments and other sites. The parks are disbursed across nine states and the Caribbean, range in size from less than an acre to thousands of acres. These sixty-four parks accommodate approximately one-fourth of the

total visitation of the National Park Service. Organizationally, many of the parks within the Southeast Region are smaller and less complex than typical Federal government organizations. Most have less than fifty full time equivalent positions engaged in a variety of occupations including law enforcement, visitor education, maintenance, and administration. To meet the competitive sourcing goals set forth by Presidential Management Agenda, the tendency of the Southeast Region has been to conduct full-scale competitive sourcing studies focusing on the relatively few large park organizations. Significant improvements in effectiveness and economy may be realized by using competitive sourcing procedures to analyze the organizations and work activities of smaller parks.

The Service recently contracted with private sector consultants to conduct a competitive sourcing study of the Southeastern Archaeological Center (SEAC). Although SEAC is a small organization in comparison with many parks, selection of SEAC for study was based on a decision to review all archeological work in the National Park Service in the initial round of studies, not based on its size or organizational structure. SEAC is comprised primarily of professional archeologists and museum specialists and certainly does not represent typical work or the typical organization within the National Park Service. SEAC, like most parks, has historically contracted work in the past. Data from that contract history and from current private sector contracts was used to conduct a streamlined competitive sourcing study at significantly less cost than a full-scope study. The study found that by implementing SEAC's most efficient organization



the work can be performed in-house at less than half the cost of acquiring the work from private contractors.[16]

The SEAC study conducted by the private consultants clearly shows that a less-complicated A-76 study can result in significant savings and improvements in efficiency. It is highly probable that many parks can continue to apply the rationale managers have used in previous decisions to contract work to the private sector. If that rationale is well documented it will satisfy the competitive sourcing requirements of Circular A-76 and the FAIR Act. Smaller Service areas within the Southeast Region, such as Martin Luther King National Historical Park, Chattahoochee River National Recreation Area and Biscayne National Monument, can produce credible contracting studies without engaging consultants or outside competitive sourcing expertise, and can make sound competitive sourcing decisions based on those studies. Small parks or divisional organizations within the Southeast Region can use the guidance and examples developed in this research to apply competitive sourcing principles and to achieve improvements in performance of work.

## **APPLICATION OF STREAMLINED COMPETITIVE STUDY PROCEDURES**

Circular A-76 outlines a streamlined competition process that agencies can elect to use for commercial activities of less than sixty-five full time equivalent positions. In formal competitive sourcing activities, the process would be employed once management has determined that it is feasible to conduct a formal competitive sourcing study. For most small parks and organizations, formal competitive sourcing is not feasible.

However, with minor adjustments in procedures and documentation, small parks can use the same rationale and processes they have always used to make management and contracting decisions, while fully meeting competitive sourcing objectives. Primary changes involve better documentation of the preliminary planning process, simple public announcements of the competitive sourcing study and determination, better documentation of the government cost calculation, better documentation of the market analysis, and documentation of the decision. Systematic use of this procedure could potentially improve the effectiveness of management and contracting decisions, and ultimately result in improved performance.

## **PRELIMINARY PLANNING**

In most parks individual managers or small groups of managers make decisions whether to perform work in-house with government employees or to contract work to the private sector. Competitive sourcing studies are essentially decision processes to determine whether performing work in-house or contracting the work out is more effective and economical.

As indicated above, parks have historically and continuously contracted various functions and projects as part of the planning and management process. Park managers should continue to identify park work or discrete functions that could be acquired from commercial sources. Identified activities should generally be evaluated in multiple aspects, including but not limited to existing organizational structure, current cost of the

activity, the amount of time actually spent performing the activity, the supervisory and overhead costs associated with the activity, and whether the activity is a core function of the organization or not. The location and availability of potential private sector contractors is also a significant factor in the decision to perform work in-house or by contract. To comply with competitive sourcing requirements, the only substantive change is that the planning and decision process should be better documented. Although it is probably not feasible to conduct formal competitive sourcing studies for such small parks or activities, making these small changes to adapt competitive sourcing processes will result in improved work performance.

#### Performance Work Statement (PWS)

To adequately determine the costs of performing work, whether in-house or by the private sector, the work must be adequately identified and defined. In current contracting processes, managers are accustomed to producing “scope of work” statements and contract specifications, including quality assurance provisions. In competitive sourcing, the same basic premises apply to developing the “Performance Work Statement” and “Quality Assurance Plan”.

To calculate and compare the cost for government performance of the work against the cost of private sector performance, the scope of the work should be determined and documented. The manager or other designated personnel should develop the Performance Work Statement (PWS), the most critical element of the competitive sourcing process. The PWS defines the work to be performed – it is in essence the

contract specification. Preparation of the PWS entails a comprehensive analysis of the work to be performed; identification of essential work activities; identification of the requirements for facilities, equipment, and materials; standards for work performance and quality; special requirements (such as safety, environmental, security, training); payment terms; and the method for evaluating the work performed. The work description should be performance focused rather than based on processes or detailed specifications, as is characteristic in the traditional contracting approach. The end (or desired) result of the work should be defined rather than techniques used to get to the final work results. Development of the PWS is essentially development of the scope of work or contract documents that will be used whether the work is ultimately performed by Federal government employees or by the private sector as a result of competition in the open commercial market. A Quality Assurance Surveillance Plan (QUASP) establishes a mechanism to insure that the competitively sourced tasks are completed with the required level of quality, whether performed in-house or by a successful contractor. The QUASP is not significantly different from performance measures in standard contract specifications.

Once parks have examined the commercial activity to identify the work to be accomplished (PWS) and to determine whether it is feasible to consider contracting the work (market analysis), the steps outlined for streamlined competitive sourcing could be used to carry out the decision making process.

## **STEP ONE – PUBLIC ANNOUNCEMENT**

Decisions about whether to perform work in-house or to open the work to private sector contractors have traditionally been made within the privacy of the park or organization. For official studies, competitive sourcing guidelines require the park to make a public announcement that it is studying a particular work activity or function to determine whether it is more effective to perform the work with government employees or to contract the work. Although public announcement is a change in procedure, the basic premises of the decision to consider contracting out are not changed. The park is looking at a work activity, has determined the activity is commercial and could be obtained from the private sector, and is engaged in a decision making process to decide if the work should be performed in-house or contracted out. The primary difference is the requirement to make a public announcement. In the Southeast Region, the park would consult with the Regional Contracting Officer to determine if a public announcement is required and, if so, to make the announcement.

## **STEP TWO – DEVELOP COST ESTIMATE**

### Government Cost Estimate – Most Effective Organization

Current contracting practices require the government to prepare an estimate of the cost to perform the work with government employees. The cost analysis is usually done based on the existing park organization. Competitive sourcing also requires the government to calculate the cost to perform the work with government employees.

Competitive sourcing guidelines still allow small organizations to calculate the cost based on the existing organization. However, to maximize the potential to increase effectiveness, managers should carefully determine whether the government could perform the work more effectively and economically. Managers are already familiar with and responsible for practicing effective position management. The process of developing the Most Effective Organization (MEO) is largely an extension of the position management process.

"The MEO refers to the Government's in-house organization to perform a commercial activity. It may include a mix of Federal employees and contract support. It is the basis for all Government costs . . . [17]

" . . . asking a garrison to do an A-76 is like giving a pig a knife and asking it to make pork chops."

-Statement of an Army officer as quoted in a speech by OFPP Administrator Angela Styles[18]

When tasked with accomplishing an A-76 study the organization should formulate a plan defining the MEO. This document is critically important for the efficient administration of the work and effective use of manpower within the organization being studied. The MEO is the fundamental planning, and ultimately, bidding, document in the competitive sourcing study and is key to the outcome of the study. For most Federal government managers, developing the MEO may be the most challenging step of the competitive sourcing process. While all managers are responsible for ensuring their work groups are organized in the most effective structure, many factors have resulted in less than optimal position and organizational management in the Federal government. The

manager or designated individuals should, through face-to-face interviews, position audits, and other research, become intimately familiar with the work group being studied and make organizational modifications as appropriate to achieve more effective and economical government performance.

Employees in the work unit can be appropriately involved in development of the MEO. The obvious reason for this is who knows better the work of an organization and how it could be structured more efficiently than the employees accomplishing the work? Concerns with the in-house initiation of the MEO process, and particularly the makeup of the MEO committee, may at least superficially seem contrary to the fair and scrupulous evaluation of an organization. These issues have indeed lead to legal appeals from potential contractors when competitions did not end in their favor. The litigation has been based on objections to potentially displaced government employees serving in MEO study groups.[19] The legal process has determined that when the makeup of the MEO committee is evenly distributed, as compared to weighted in favor of the government employees, contract managers, or private sector contractor representatives, use of activity employees in the MEO process is valid and acceptable.[20] The work group responsible for developing the MEO cannot be the same group that produces the PWS. The critical issue is that the make up of the group be evenly divided between “interested parties” and those that have no particular stake, or personal potential for damage, in the process.

The approach to studying and implementing A-76 or competitive sourcing should be to evaluate the work of the organization, how that work truly is accomplished, and whether the work could be accomplished more effectively. This analysis must be

considered as the work relates to mission and structure of the parent organization. Ideally the analysis would also consider changes or improvements in technology and consideration of whether the benefits derived from improved technology would outweigh any associated additional costs.

### ***Assumptions***

Because of the common nature of positions across National Park Service maintenance organizations, a few assumptions are made for the purposes of this research. The positions illustrated represent currently established positions within the described organizations. The grades (pay levels) referenced below and elsewhere in the document are based on Office of Personnel Management position classification standards as applied by National Park Service human resources specialists and other position classification personnel. Grades, indicated in parenthesis, are based on a general knowledge of standard practices within the National Park Service as related to position classification practices. No seasonal, project-based, or part-time positions are represented on the charts.

### ***Employee Considerations***

Competitive Sourcing studies are controversial, anxiety producing, and difficult to cope with for employees in the work activities targeted for study. Within the National Park Service, there is a long-standing perception that management fails, perhaps inadvertently, to communicate effectively with employees. As in any management initiative, continuous and effective communications with employees should be



maintained when contemplating or conducting a competitive sourcing study. The benefit of good, honest communication cannot be understated, particularly when implementing an action that potentially could adversely impact employees. As with most new programs, when competitive sourcing studies are undertaken there is a surge in the circulation of misinformation and in levels of confusion and distrust. For example, a series of North Carolina newspaper articles added fuel to the to a competitive sourcing fire when studies were initiated in the Great Smoky Mountains National Park.[21] The articles implied that potentially all government maintenance activities may be lost to the private sector, and that consequently all employees in the maintenance division of the work would lose their jobs. The articles emphasized the loss of jobs and quoted purported experts on the dangers of such a result. As is often the case, not enough information was included about the competitive sourcing process or about the particular study to provide a balanced and unbiased view of the proposed action. Management can counter such effects by providing timely, accurate information to employees and the public.

### ***Different Parks – Different Organizations***

The structures of maintenance organizations in Southeast Region parks vary from park to park. Typically, the park maintenance organization is structured to meet the specific facility management and maintenance needs of the particular park. For example, because of the nature of work required to maintain a natural park in a seashore environment, Cape Hatteras National Seashore (CAHA) needs heavy equipment operators to manage ever-encroaching sand and dune movement. Martin Luther King

National Historical Site (MALU) on the other hand is an urban park comprised mainly of historic structures and visitor use facilities that are integral to interpreting the story of the great civil rights leader and the civil rights movement. MALU has little or no need for heavy equipment operations, but has substantial work in the traditional building trades such as electrical and plumbing work. Because of the high concentration of built facilities and heavy visitor use of those facilities MALU also has greater need for custodial workers. These two parks are used in this document to demonstrate the diversity in park maintenance organizations and to illustrate how a MEO is developed.

When tasked with a competitive sourcing study a manager or study group must be prepared to re-evaluate the organizational structure and may often need to reallocate work and re-describe positions. Study of existing organizations may indicate that the organization has not changed with the evolving work and needs of the park. For example, a newly established park or one involved in extensive rehabilitation of existing facilities may require a master electrician to accomplish journeyman level office and residential electrical work. Once the facilities are established or rehabilitation is complete, the need for journeyman electrical work typically diminishes and the electrical work is more typically limited “fix-it” or “replace-it” tasks such as replacing outlets or installing light fixtures. Generally speaking, because of the potential impact on employees most Federal agencies have made little effort to periodically re-evaluate the work to determine whether master level work exists, and if so whether it constitutes a significant part of the workload. Consequently, it is not uncommon to find journeyman level positions performing little or no journeyman level work. When developing the

MEO it is critical to evaluate the actual work being performed and to develop positions at the appropriate level to perform that work. In this example, if the majority of the work is not at the master electrician level, the MEO team should consider alternatives to ensure the organization proposed is the most effective and economical possible. For this situation there may be numerous alternatives: 1) the position may need to be defined to perform only the “fix-it” and “replace-it” type work, resulting in a lower graded electrical worker position. 2) assuming some journeyman level work does exist, the determination may be that maintaining the master electrician position is the most effective and economical choice; 3) assuming some journeyman level work does exist, the determination may be that the higher graded work could be assigned to a different existing journeyman level position and the remaining work would be performed by the newly described lower graded electrical worker position; 4) assuming some journeyman level work does exist, a determination could be made that the higher graded work would be performed on an as-needed basis by commercial electricians and that the remaining work would be performed by the newly described lower graded electrical worker position. The manager or study group must recommend the most effective alternative even though it could potentially adversely impact current employees. It is also critically important that the MEO group understands the Federal personnel system and/or consults with a human resources expert before recommending an alternative. In accordance with position classification standards for trades and occupations (wage grade) if a position performs higher graded work on a regular and recurring basis, that position will be graded at the higher grade even if the work represents only a small percentage of the

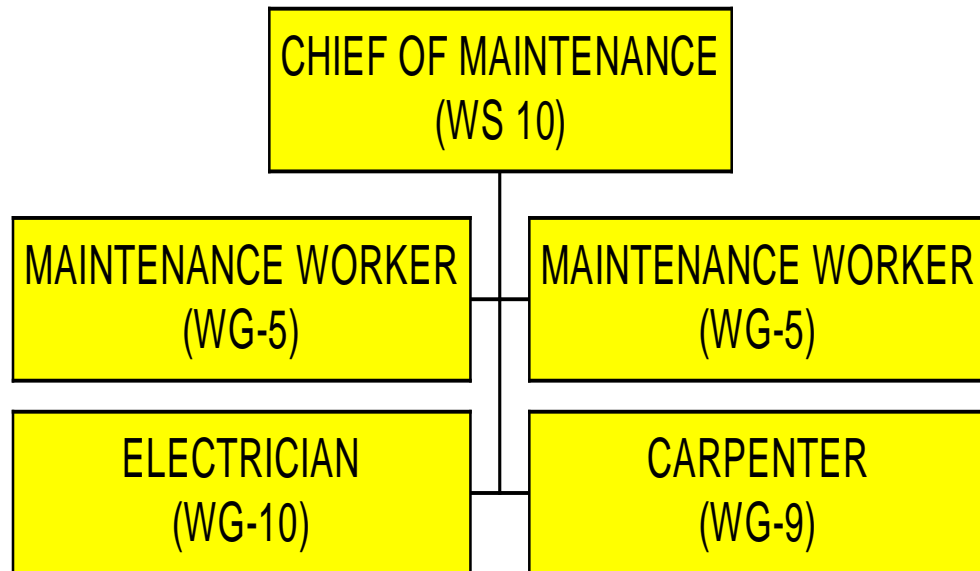
overall duties and responsibilities. Therefore, based on the personnel standards and ethically, managers must be careful not to assign higher graded work to the employee.

In the pages that follow Martin Luther King, Jr. National Historic Site and Cape Hatteras National Seashore are used to demonstrate the concept of reorganizing to improve effectiveness.

#### Martin Luther King, Jr. National Historic Site

“The home (of Martin Luther King Jr.) is located in the residential section of "Sweet Auburn", the center of black Atlanta. Two blocks west of the home is Ebenezer Baptist Church, the pastorate of Martin's grandfather and father. It was in these surroundings of home, church and neighborhood that "M.L." experienced his childhood. Here, "M.L." learned about family and Christian love, segregation in the days of "Jim Crow" laws, diligence and tolerance. It was to Ebenezer Baptist Church that Dr. Martin Luther King, Jr. would return in 1960. As co-pastor with his father, "Daddy King", Dr. King, Jr. would preach about love, equality, and non-violence”[22]

The Martin Luther King Historic Site (MALU) maintenance organization currently includes the positions shown in the chart in Figure 4 below. The chart presented does not include seasonal workers hired during peak periods of visitation or temporary workers hired for special projects or initiatives.

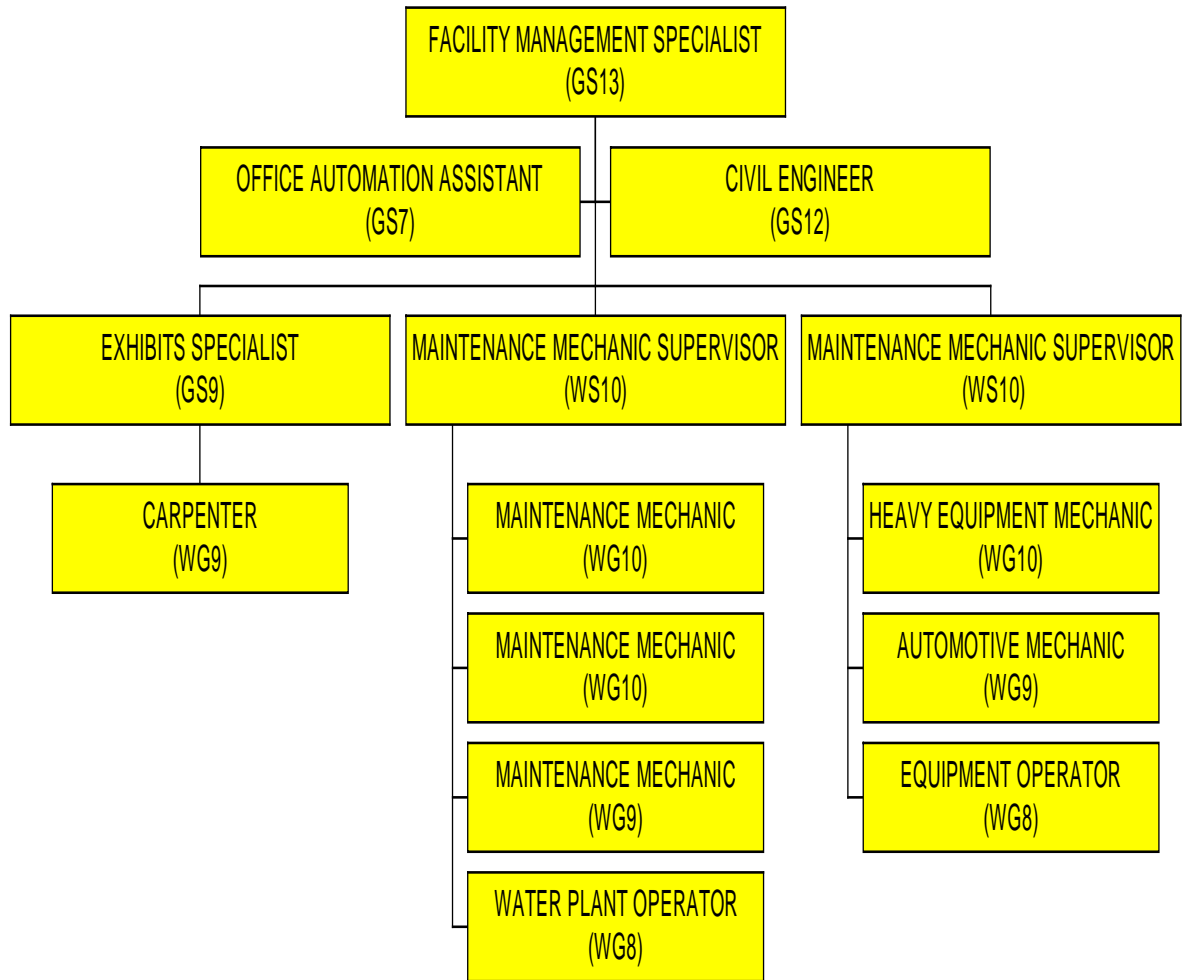


**Figure 4 MARTIN LUTHER KING MAINTENANCE ORGANIZATION**

Cape Hatteras National Seashore

“Stretched over 70 miles of barrier islands, Cape Hatteras National Seashore is a fascinating combination of natural and cultural resources, and provides a wide variety of recreational opportunities. Once dubbed the "Graveyard of the Atlantic" for its treacherous currents, shoals, and storms, Cape Hatteras has a wealth of history relating to shipwrecks, lighthouses, and the U.S. Lifesaving Service. These dynamic islands provide a variety of habitats and are a valuable wintering area for migrating waterfowl. The park's fishing and surfing are considered the best on the East Coast...”[23]

The Cape Hatteras National Seashore (CAHA) maintenance organization currently includes the positions shown in the chart shown in Figure 5 below. The chart presented does not include seasonal workers hired during peak periods of visitation or temporary workers hired for special projects or initiatives.



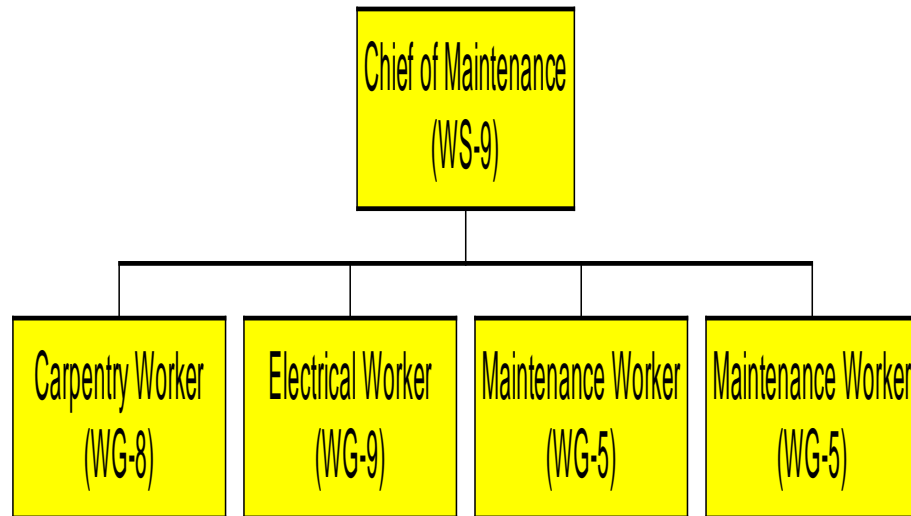
**Figure 5 CAPE HATTERAS MAINTENANCE ORGANIZATION**

Although both of these units are national parks, the structures of the maintenance organizations are quite different. The two parks are substantially different in size and geographic locations. CAHA is strung out over many miles of seashore barrier-island. MALU is contained within a few city blocks in metropolitan Atlanta. As indicated earlier, the nature of the parks – natural vs. built environment – in itself creates the need for different types of work. The availability of products and services from the private

sector may also be a factor – CAHA is located quite a distance from any sizeable city with its associated amenities. MALU is located in the heart of metropolitan Atlanta.

The existing maintenance organization at MALU more closely approaches the concept of the MEO than the existing maintenance organization at CAHA. The MALU organization is managed by one supervisor and it appears to have a balance between skilled tradesmen and semi-skilled maintenance workers. At MALU the maintenance workers appropriately (based on classification standards) perform custodial services, grounds keeping tasks, and less complicated trade tasks such as repairing facets or leaky pipes, replacing outlets or light fixtures, and simple carpentry. The journeyman level work is concentrated in two positions, a carpenter and an electrician who also perform a substantial amount of lower graded work comparable to the maintenance workers. Review of this organization to determine the MEO should include a careful analysis of the carpentry and electrical work to determine if master level work does exist, and if so, how much. Based on that analysis, the manager can determine whether maintaining the existing positions is the most effective alternative, or whether consideration should be given to other possibilities. It is quite possible that the preponderance of the carpentry and electrical work is not at the journeyman level and that consideration should be given to establishing a lower graded electrical worker and/or a lower graded carpentry worker. This analysis and consideration are particularly critical in a park like MALU, not only because of management's obligation to ensure work is assigned effectively and economically, but also because of the ready availability and competitiveness of the

services in the private sector. An example of a possible MEO for MALU is illustrated in the chart in Figure 6.



**Figure 6 MARTIN LUTHER KING MOST EFFECTIVE ORGANIZATION**

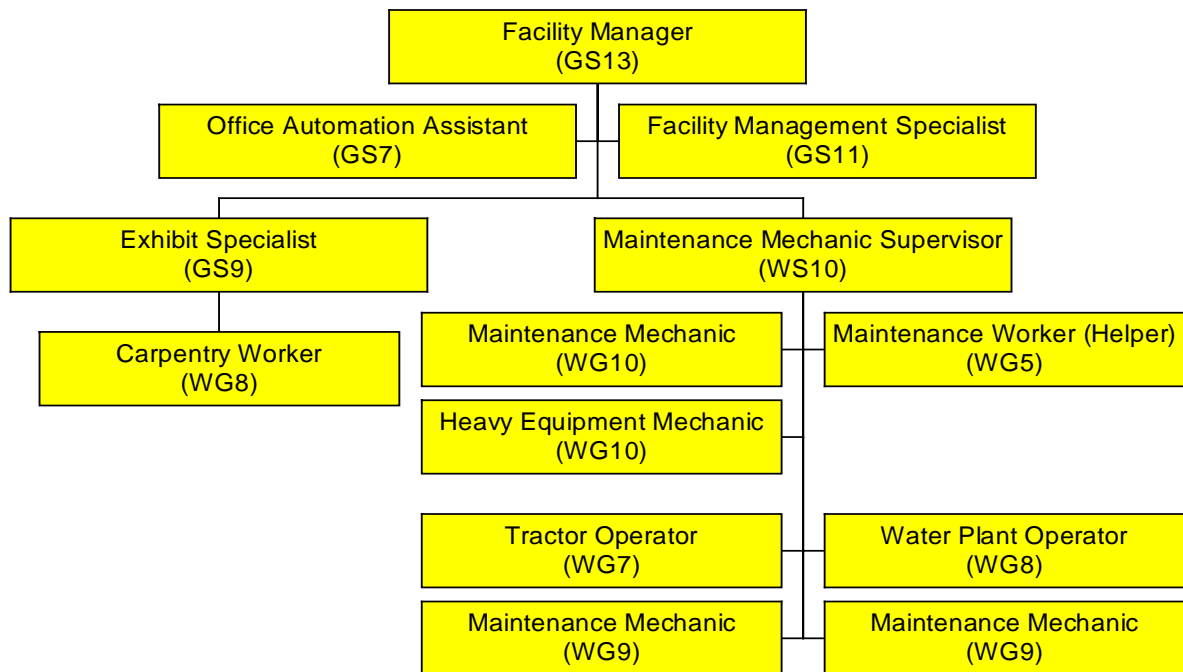
In contrast to MALU, the CAHA maintenance organization appears to be “top heavy” with comparatively extensive supervisory and management overhead and an overall supervisory ratio of four supervisors for fourteen employees. Office of Personnel Management guidelines recommend an average supervisory ratio of one supervisor to fifteen employees. While smaller ratios are sometimes appropriate because of unique skill requirements, extreme geographic dispersion, shift work, and similar factors, the supervisory layering at CAHA warrants close scrutiny by the manager. In the existing organization, in addition to the Chief of Maintenance (Facility Manger), there are a



Maintenance Mechanic Supervisor with full supervisory authority for four positions performing buildings maintenance work and a Maintenance Mechanic Supervisor with full supervisory authority for three positions performing equipment operation and maintenance work. In developing the MEO there are numerous alternatives that should be considered. The work of the Facility Manager should be analyzed to determine whether that position needs additional supervisory resources to effectively manage an organization of fourteen employees. If so, alternatives should be developed and analyzed to determine the most effective and economical way to accomplish the essential work of the organization. One alternative would be to establish one Maintenance Mechanic Supervisor responsible for supervising all employees involved in maintenance operations. If study and analysis indicate there is a need to manage the buildings maintenance function separately from the equipment operation and maintenance function, consideration could be given to establishing Maintenance Mechanic Leaders with limited supervisory authority in lieu of the existing Maintenance Mechanic Supervisors. Either alternative would significantly reduce personnel costs.

The alignment and allocation of work of existing non-supervisory positions should also be reviewed. The Exhibit Specialist and Carpenter perform historic preservation and restoration work and appear to appropriately graded. Although realigning those positions organizationally would not result in cost savings, consideration should be given as to whether coordination of work could be accomplished more effectively if those positions were aligned under the supervision of whatever position is determined to be responsible for managing other buildings and facilities maintenance functions. In the existing organization all of the working positions in the buildings

maintenance function and the equipment operation and maintenance function are journeyman level positions. Careful review of the work should be conducted to determine how much journeyman level work is required in each occupation, whether work could be realigned to reduce the number of journeyman level positions and establish lower graded worker or helper positions. Based on the work analysis, possibilities might include restructuring an Equipment Operator position as a lower graded Tractor Operator responsible for routine road clearing or material moving operations; procuring automotive mechanic work from the private sector and establishing a lower graded Automotive Equipment Servicer position to accomplish routine maintenance such as oil changes and tire maintenance and to perform minor repairs; and establishing one Maintenance Mechanic position to perform journeyman buildings trades work and lower graded Maintenance Worker positions to perform routine repair/replacement work. Close consideration should also be given regarding the staff Civil Engineer position and whether use of limited personnel resources is best used in that function when engineering services are readily available from the private sector and within the National Park Service. One alternative to consider would be to restructure the Civil Engineer position to a Facility Management Specialist (Contracting) responsible for developing scopes of work and managing contracted projects and services. This alternative might not result in a cost reduction, but might be a more effective use of park resources. A possible MEO for CAHA is shown in the organizational chart in Figure 7.



**Figure 7 CAPE HATTERAS MOST EFFECTIVE ORGANIZATION**

#### Private Sector Cost Estimate – Market Analysis

Park managers currently consider the availability and cost of private sector performance when making decisions to perform work in-house or to contract the work to the private sector. The analysis generally involves knowledge of the availability and cost of services in the private sector, historical information about previous contracting activities, and use of cost estimating tools such as Cost Estimating Software System (CESS), the cost estimating standard for the National Park Service. In competitive sourcing, a substantially similar cost estimate is made and documented as part of the competitive sourcing study. Small organizations can develop the private sector estimate

through documented market analysis, from historical contracting data, by soliciting quotations from private sector sources, or based on established rates in General Services Administration administered service contracts. Parks should coordinate and consult with the Southeast Region Contracting Office to determine how the private sector estimate will be made and to prepare and document the estimate. The only substantive change from current procedures is the documentation of the private sector estimate.

### **STEP THREE – MAKE THE PERFORMANCE DECISION**

In small organization competitive sourcing, as in other contracting decisions, the determination regarding who will perform the work is based on a comparison of the costs for providing acceptable performance. In traditional contracting or outsourcing, the assumption is that it is advantageous to acquire the work from the private sector. The cost competition is among private sector bidders. In competitive sourcing the decision process is used to determine whether it is more advantageous for the government or the private sector to perform the work. The primary difference in competitive sourcing is that the government is submitting a bid – the government cost calculation. The comparison is between the government and the private sector. In a streamlined competitive sourcing study, the comparison and performance decision is documented and certified using COMPARE software in accordance with competitive sourcing guidelines. The Southeast Region Contracting Office will assist parks in carrying out the comparison of government and private sector costs and in determining whether the decision should be documented using COMPARE.

Decisions made by managers regarding whether to perform work in-house or to contract the work have not historically been publicized. Competitive sourcing guidelines require the agency to make a public announcement of the results of the study or decision-making process. If appropriate, the Southeast Region Contracting Office will prepare and issue the public announcement of the performance decision.

#### **STEP FOUR – IMPLEMENT THE DECISION**

Once the analysis using competitive sourcing principles and procedures has been completed, the decision must be implemented. If the determination is for private sector performance, the Southeast Region Contracting Officer will take the necessary steps to issue a contract to a private sector entity, either by issuing a contract solicitation, negotiating with minority and disadvantaged business enterprise [8(a)] firms, or using an established General Services Administration Multiple Schedule Award contract. Once the work is awarded, the manager will make whatever adjustments are necessary in the organization, just as if the decision had been made through the traditional contracting process. If the government “wins”, the park will implement the organization on which the government cost calculation was based. If the government cost estimate was based on changes in the organization, the manager will implement those changes just as in any reorganization. In a formal streamlined competitive sourcing study, if the government is selected to perform the work, the Southeast Region Contracting Officer will issue a letter of obligation for performing the commercial activity to the park.

## **SUMMARY**

The process described above demonstrates how small parks could use the principles and processes for streamlined competitive sourcing studies defined by Circular A-76 to improve established decision making processes. Park facility managers routinely engage in planning and decision making process about whether to perform work in-house or to contract the work to private sector providers. Application of competitive sourcing concepts during the preliminary planning phase, including systematic identification of work activities for consideration, definition of the work activity (development of the Performance Work Statement) and documented analysis of the availability of the services from the private sector will improve and validate decisions regarding contracting the work. Public announcement of the intent to determine whether the work is best performed in-house or by contract and of the determination will improve accountability. Estimates for performing the work in-house are currently based on existing government organizations. Application of the competitive sourcing concept of developing the Most Effective Organization may result in improvements in economy and efficiency even when the determination is made not to contract the work. Park facility managers currently consider the availability and cost of private sector performance when considering whether to contract work, but the data is not documented or validated. Use and documentation of historical costs, quotes, General Services Administration Multiple Award Schedules, or other means acceptable in competitive sourcing will again validate and improve decisions. The changes in process are minimal. The potential for improved accountability and efficiency are significant.

## **CHAPTER 4**

### **CASE STUDY**

To further illustrate the concept of adapting competitive sourcing principles and processes by making minor adjustments in established contracting processes, the following case study for office custodial services at Chattahoochee River National Recreation Area was developed. The park has periodically considered the possibility of contracting custodial service, but has not initiated action. This case study is a proposed application of the process recommended in this research. If implemented, this study would result in the changes shown in Table 1 below.

<b>CHATTAHOOCHEE INVENTORY OF FTE</b>				
<b>FUNCTION</b>	<b>DESIGNATION</b>	<b># FTE CURRENT</b>	<b># FTE AFTER</b>	<b>COMMENTS</b>
PARK MANAGEMENT	INHERENTLY GOVT	2	2	
BUDGET	INHERENTLY GOVT	1	1	
CONTRACTING	INHERENTLY GOVT	1	1	
ADMINISTRATIVE SUPPORT	COMMERCIAL	5	5	
LAW ENFORCEMENT	INHERENTLY GOVT	7	7	
FEE COLLECTION	INHERENTLY GOVT	6	6	
DISPATCH	COMMERCIAL	3	3	
INTERPRETATION	COMMERCIAL	6	6	
RESOURCE MANAGEMENT	COMMERCIAL	5	5	
FACILITY MANAGEMENT	INHERENTLY GOVT	3	3	COST SAVINGS FROM LOWER GRADES
BUILDINGS	COMMERCIAL	2	2	COST SAVINGS FROM LOWER GRADES
ROADS/TRAILS	COMMERCIAL	5	5	COST SAVINGS FROM LOWER GRADES
GROUNDKEEPING	COMMERCIAL	3	3	
CUSTODIAL	COMMERCIAL	2	.75 IF CONTRACTED	IF NOT CONTRACTED, COST SAVINGS FROM 1.25 FTE AT LOWER GRADE

**Table 1 CHATTAHOOCHEE INVENTORY OF FTE**



## **PRELIMINARY PLANNING**

Chattahoochee River National Recreation Area is located in metropolitan Atlanta. Custodial services are readily available from private sector sources. Periodically the park has considered the possibility of directly converting some or all of the custodial function to the private sector.

Custodial services constitute approximately ten percent of the work performed by the Facilities Maintenance Division at Chattahoochee River National Recreation Area. Custodial services include general cleaning of facilities, litter pick up around facilities and along road sides, restroom cleaning and sanitation, office cleaning (trash removal, vacuuming, mopping, dusting, etc.), periodic cleaning of windows and building exteriors, and other tasks generally associated with the janitorial trade. Park employees currently perform custodial work at all eighteen developed areas of the park. All of the developed areas are located within the Atlanta metropolitan area and travel time between areas is a significant factor in planning and carrying out work. Services at each of the individual outlying areas represent a small part (less than 1/10<sup>th</sup> of one full time equivalent) of the daily work requirement and are generally performed by employees assigned to perform other work such as groundskeeping, trails maintenance, or building maintenance at the individual area. Because of the physical dispersion of the outlying areas and the requisite travel time between those areas, it is not practical to consolidate the custodial work for multiple areas into one position or contract.

The Island Ford Unit of the park houses the park administrative headquarters, maintenance facility, park visitor center and bookstore, and visitor use facilities. Because of the number of built facilities, high visitor use, and administrative use of the Island Ford Unit, there is a substantial custodial services workload. Currently custodial services are managed as they are in the more dispersed developed areas; that is, they are performed by maintenance employees in conjunction with more skilled work such as buildings maintenance and repair, trails and roads maintenance, and groundskeeping. Custodial work at the Island Ford Unit requires approximately 1.25 full time equivalent positions. Based on the concentration of custodial work at the Island Ford Unit, knowledge that more skilled (i.e. higher paid) workers are currently performing the work, and the probability that custodial services could be acquired from the private sector, custodial work at the Island Ford Unit is appropriate for a competitive sourcing study.

To facilitate the analysis, the custodial work at the Island Ford Unit was determined and documented as shown in the following Performance Work Statement.

## PERFORMANCE WORK STATEMENT

### Custodial Services, Island Ford Unit

Chattahoochee River National Recreation area is located in the greater metropolitan area of Atlanta Georgia. The park is a linear park located adjacent to the Chattahoochee River with 18 geographically independent developed areas connected by primarily secondary roads. The park accommodates approximately 3 million visitors annually. The common elements of each area are association with the Chattahoochee River and that the areas provide river and open space recreational access for visitors. The park has diverse resources including natural and historical areas and facilities, and provides opportunities for recreational activities normally associated with rivers and other natural areas. Fishing, boating, swimming, and hiking are common activities visitors pursue when using the sites in the park.

The Island Ford Unit of the park is a popular area utilized by recreational and business visitors. The unit provides visitor facilities such as restrooms, a bookstore, and picnic areas, hiking trails and river access. The Island Ford Unit includes the park administrative headquarters, park maintenance shops, and the park operations offices.

### **SCOPE OF WORK**

The work includes routine custodial services for visitor service areas and office space within the Island Ford Unit of Chattahoochee River National Recreation Area. These facilities are housed in three primary buildings within the unit. One building originally was a historic home and must be cleaned and treated accordingly. Sidewalk

and exterior sweeping and litter removal (policing) within 250 feet of the exterior of the building walls are also included in this scope of work.

## **OPERATIONS BUILDING**

The operations building at Island Ford is a two story former chapel and apartment complex which was constructed in the 1960's as part of a Baptist summer camp. It currently houses twenty-nine offices, a weight/exercise room, a water quality lab, a coffee room, a kitchen and lunchroom, a mailroom, restrooms, and two common office lobbies. The total floor space is approximately 10,000 square feet including hallways and restrooms. A wooden deck (approximately 3,000 square feet) surrounds the building. With the exception of the restrooms, lab, and kitchen/coffee rooms all interior floor spaces are carpeted with short pile, commercial grade carpet. The other spaces (approximately 500 square feet) are a mix of finished concrete, tile and linoleum.

## **THE MAINTENANCE SHOP**

The Maintenance Shop is located in the Island Ford unit of the park approximately one half of a mile from the park Headquarters and the Operations Building. The shop, a remodeled old house, is two stories and has a total area of approximately 3,600 square feet. The basement is an operating utility shop with a total space of approximately 1,800 square feet. The first floor houses two offices, two restrooms, a kitchen and a break room. Note: Daily tasks outlined in the Task Frequency List below are required for the Maintenance Shop on a five-day (Monday – Friday) cycle rather than a seven-day cycle.

## **THE HISTORIC HEWLETT HOUSE (LODGE)**

The Hewlett House was formerly the home of Sam Hewlett a lawyer and former Georgia judge in the 1930's. The house was sold to a private club and used as a meeting lodge after Mr. Hewlett died. The Baptist Church purchased the club and surrounding acreage as part of the camp. The Hewlett House ultimately became the headquarters building for Chattahoochee River National Recreation Area in the late 1970's. The building recently was designated as the primary park visitor contact station and bookstore. The first floor is approximately 3,000 square feet and houses a conference room, employee kitchen, four offices, three restrooms, a lobby and the primary visitor contact area and bookstore. About half the floor space on the first floor is covered with commercial quality short pile carpet and the remaining floors are stained hardwood. The hardwood floors are finished with tung oil and require special treatment as described elsewhere. The recently remodeled basement is approximately 2,000 square feet and houses four park offices, a fee counting room and a restroom. The floors are modern ceramic tile. Approximately half the square footage of the wall surface is stone.

## **TASK FREQUENCY LIST FOR ALL FACILITIES**

### **Daily Tasks (7 Days a Week)**

- Empty all office/restroom trashcans, insure that can liners are clean and the cans themselves are clean.
- Empty all large trashcans and insure they are supplied with clean liners.
- Vacuum high traffic areas such as entrance doors, common public use areas, offices and areas that show visible dirt and debris.

- Insure that vacuum or other power equipment is shut down when use in offices would interfere with the office occupant. Shut down the equipment, leave the room and wait until the activity or phone call is over to resume the work.
- Dust mop hardwood floors.
- Damp mop tile and linoleum floors.
- Sweep outside door entrances of debris within 25 feet of the door.
- Clean and sanitize all restroom fixtures including toilets, sinks, urinals and showers.
- Insure that all restroom/kitchen supplies such as paper towels, soap and toilet paper are stocked and available for use. Insure that there is at least one extra roll of toilet paper available near each toilet fixture.
- Clean and polish restroom mirrors, metal surfaces and fixtures (such as faucets, drain outlets flush handles drinking fountains etc.) to a high luster.
- Clean and wipe down toilet partitions, doors and stall dividers.
- Mop and sanitize restroom floors. Insure that safety signs are posted indicating wet floors as required.
- Clean tile grout and caulking on the walls, floors and around toilet bases.
- Pick up trash along the path to the picnic shelter behind the Hewlett House.
- Re-check and re-stock bathroom dispensers twice daily or as needed in all building restrooms.
- Clean and polish glass on interior doors
- Clean basins of drinking fountains to remove smears, fingerprints and other dirt and dust.

## **Weekly Tasks**

- Dust window blinds with a vacuum dusting system.
- Shampoo and rotate entrance mats.
- Blow or sweep areas around buildings of pine straw, fallen leaves and debris.  
Remove fallen limbs from the area.
- Shampoo the carpet in high traffic areas at building entrances and spot clean stains at all building carpeted areas.
- Treat hardwood floors with a tung oil mop.
- Sweep or power-blow all decks and sidewalks approaching and around all buildings
- Dust all low horizontal surfaces (at six feet or less) with a vacuum dusting system.
- Clean the walls around wall switch plates and outlets.
- Rinse out and clean, as needed waste containers from all offices.
- Sanitize phone receivers on all phones
- Dust ventilation fans and HVAC return and intake vent grates.

## **Monthly Tasks**

- Extract all carpet using an approved carpet cleaning system.
- Clean room corners and dust all “high” horizontal surfaces. Remove cobwebs and dust in corners of rooms and ceilings.
- Wash vacuum cleaner bags (as applicable) and clean the vacuum.
- Clean and sanitize all mops, brooms, sponges and other cleaning equipment and tools.

- Change worn mop heads, replace sponges/cloth cleaning rags, etc.
- Polish all tables, bookcases, countertops and similar furnishings with an approved wax/polishing compound. Individual desktops are not to be waxed or polished.
- Trim trees and shrubs that interfere with safe walking and passage on sidewalks and paths around building.
- Clean and organize janitorial closets and storage areas.
- Clean interior and exterior window surfaces using approved method and materials.
- Wipe down and treat woodwork with an approved polish/cleaner.
- Clean visitor information signs at interpretive waysides and information kiosks.
- Clean and dust picture frames and glass covers on interior walls.

#### **Seasonal or As Needed Tasks**

- Apply an approved anti-skid or ice melting material to sidewalk decks and ramps leading from parking lots and between buildings.
- Clean up accidental messes or debris left by children, visitors, and employees.  
Periodically check restrooms and drinking fountains for cleanliness, spot clean as needed.
- Insure cleaning supplies, chemicals and equipment are available to accomplish the appropriate work.
- Mop areas within buildings near entrance doors to remove moisture when needed.
- Report maintenance needed items to the Facility Management Division.



## **Biennial Tasks**

- Wash the exterior of the buildings using appropriate machinery and environmentally safe cleaners.
- Pressure wash sidewalks, decks and ramps.

At Chattahoochee River the newly established Maintenance Work Inspector position will serve as an inspector of the custodial work to insure the quality and quantity of the work produced meets established requirements. Daily inspections will be accomplished and written documentation of these inspections will become part of the administrative record. Periodic unscheduled and unannounced inspections of specific work activities will also be conducted on a regular basis.

## **STEP ONE – PUBLIC ANNOUNCEMENT**

To comply with competitive sourcing requirements, the park must make a public announcement of the competitive sourcing study of the custodial services at the Island Ford Unit. Chattahoochee River National Recreation Area will provide the following information to the Southeast Region Contracting Office, who will prepare and issue the announcement as appropriate.

Agency: Department of Interior

Agency Component: National Park Service  
Chattahoochee River National Recreation Area

Location: Atlanta, Georgia

Type of Competition:	Streamlined
Activity Being Competed:	Custodial Services
Number of Government Personnel Performing Activity:	1.25 full time equivalents
Competitive Sourcing Official:	To be named by Southeast Regional Office
Contracting Officer:	To be named by Southeast Regional Office
Agency Tender Official:	To be named in consultation with Southeast Regional Office

Projected End Date: To be determined in consultation with Southeast Regional Office

## **STEP TWO – DEVELOP COST ESTIMATE**

### **GOVERNMENT COST ESTIMATE**

Although competitive sourcing guidelines allow use of the current organization for developing the government cost estimate, the primary objective of competitive sourcing and of this proposal is to improve efficiency and economy of government operations. Currently skilled maintenance workers perform the custodial work at the Island Ford Unit. Custodial work is unskilled and semi-skilled work that is typically classified at a lower grade and pay level. An organizational analysis was conducted to determine if work could be realigned to provide custodial services more economically and efficiently. Based on the analysis, custodial work was concentrated into fewer positions, as shown in the following evaluation. Implementation of this organization would reduce the cost of performing custodial services and will also increase economy

and efficiency by freeing work time of other maintenance employees to perform skilled maintenance work.

The cost of performing the custodial services with government personnel would be calculated and certified based on the new organization. Costs would include salaries, benefits, uniforms, and cost of materials and equipment. The calculation would be completed in accordance with competitive sourcing guidelines with the assistance of the Southeast Regional Office Competitive Sourcing Team.

### **Most Effective Organization Evaluation**

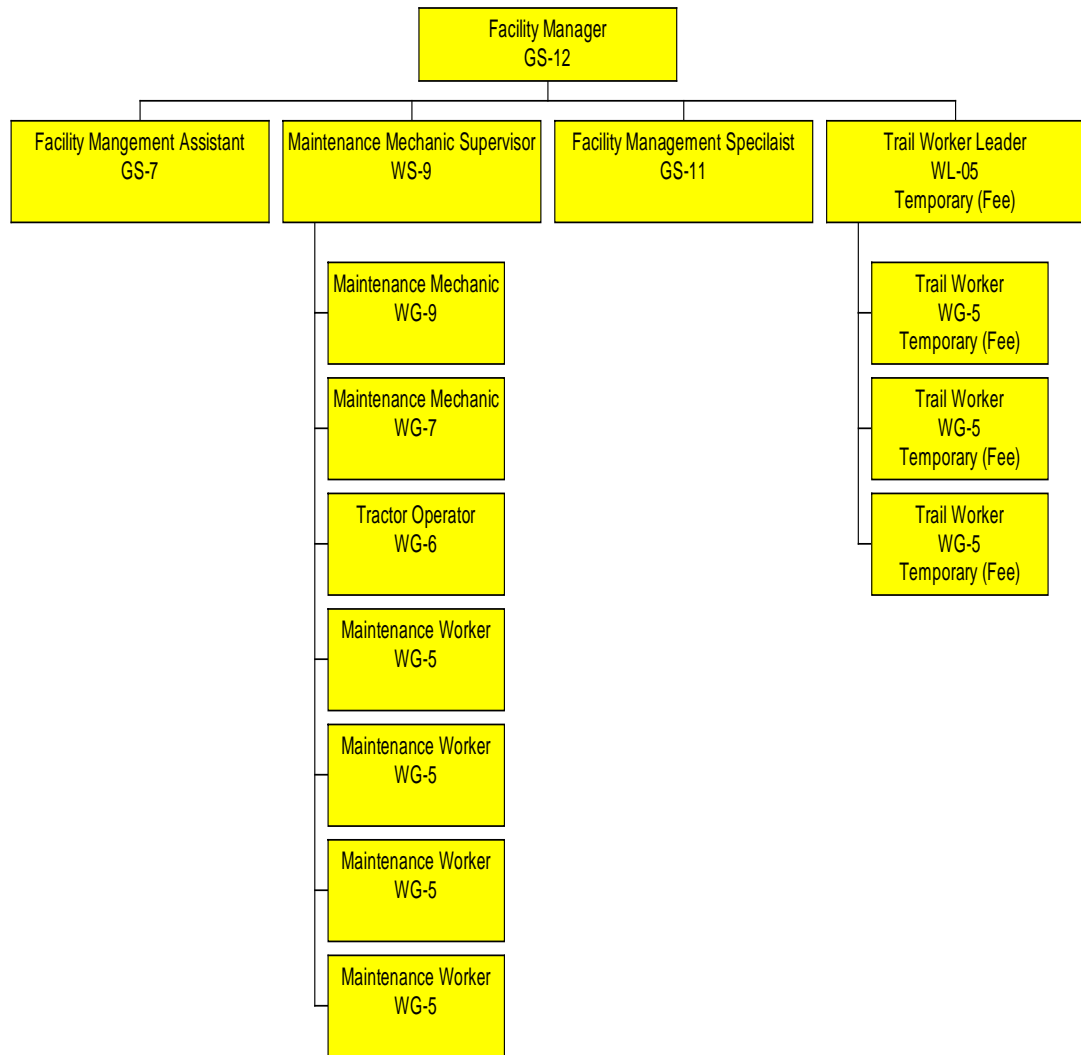
The Facility Management (Maintenance) Division at Chattahoochee River National Recreation Area was established when the park was formed in 1978. Congress established the park to provide recreational access for visitors to the Chattahoochee River within the Atlanta metropolitan area as part of an initiative to facilitate access to National Park Service areas by an ever-increasing population of the country situated in large cities and urban areas. Prior to this initiative, parks in urban areas were essentially limited to those that were established to protect significant historical or cultural resources. Overall, prior to the 1970's National Park areas generally included spectacular undeveloped natural areas or nationally significant sites that are essential elements in the preservation and interpretation of our nation's history. During the 1970's Congress and the National Park Service recognized for the first time that recreational access to National Park areas is of equal importance to the often less mobile citizens residing in large metropolitan areas as it is to the millions of visitors of traditional National Park areas. Chattahoochee

was one of several parks established during this period, including Fire Island National Seashore and Sandy Hook National Seashore in the New York metropolitan area and the Presidio in the San Francisco area.

As is often the case, parks are created by an act of congress, but are not allocated adequate funding and resources to develop and maintain the areas appropriately. Such was the case with Chattahoochee River National Recreation Area. The park was staffed with minimum personnel necessary to operate the park, but lacked the funding to effectively manage the resources.

When the park was established the park maintenance division consisted of one permanent position – the Chief of Maintenance. Over the years as the park acquired additional funding, the Maintenance and Facility Management Division grew in relation to available resources. Temporary positions were gradually converted to permanent status and the organization evolved into its current organizational structure. As the organization evolved, positions were established and the structure developed based primarily on available resources such as funding levels, permanent position allocations, and other factors not related directly the work to be accomplished. Now in the interest of more effective work management and in the face of competitive sourcing, a careful analysis must be conducted based on work requirements associated with effective maintenance of existing facilities and the need to make improvements to provide the level and quality of services and facilities visitors typically expect in a National Park.

The chart shown in Figure 8 illustrates the current organizational structure of the Facility Management and Maintenance Division of the park. The chart presented does not include seasonal workers hired during peak periods of visitation or temporary workers hired for special projects or initiatives. It does include temporary positions funded with fee demonstration monies.



**Figure 8 CHATTAHOOCHEE MAINTENANCE ORGANIZATION**

The work of the Facility Management and Maintenance Division of Chattahoochee River is routine and currently is characterized as providing minimally acceptable services to facilitate visitor use and enjoyment of the park. The maintenance staff provides custodial services, grounds maintenance, trash pick-up, roads and trails maintenance, and building maintenance on a year around basis. Chattahoochee is a linear park, with eighteen developed sites disbursed along approximately fifty miles of river. Because of the geographic dispersion thirty to fifty percent of the work of the division requires vehicular travel of the workers from work site to work site. Traffic congestion in the Atlanta metropolitan area is a major factor in scheduling and accomplishing the work. The following descriptions summarize the major duties of each position within the Division of Facility Management:

**Facility Manager** - The Facility Manager is responsible for overall management and supervision of facility management and maintenance operations. Approximately fifty percent of the facility manager's time is used in planning and administrative functions. The remaining time is spent managing budget, housing, and personnel, and in providing leadership and general direction for the division.

**Facility Management Assistant** - The Facility Management Assistant provides clerical support for the division. The assistant is the divisional timekeeper, manages input of data

into the variety of program management software, and tracks division and park calendars to ensure deadlines are met and tasks are completed in a timely manner.

**Facility Management Specialist** - This Facility Management Specialist provides professional management support for the Facility Manager and division. This position was established about two years ago when management recognized an ongoing, full-time need for project formulation and development, contract supervision, and specification development. The Facility Management Specialist develops proposals and funding requests for construction, rehabilitation, cyclic maintenance, and other specially funded project, develops contract documents and specifications, and serves as the Contracting Officers Technical Representative for all contracted work. Funding allocations and subsequent expenditures for contracted work generally represent one-third to one-half of the annual division budget. The Facility Management Specialist also serves as a technical advisor to other divisions, regional contracting specialists and the facility manager on work and project management.

**Maintenance Mechanic Supervisor** - This Maintenance Mechanic Supervisor serves as the field supervisor of the employees accomplishing routine maintenance and repair tasks in the park. The supervisor also provides technical trade guidance and oversight to workers, sets quality standards for the work accomplished, and insures the work is produced in an efficient and effective way.

**Maintenance Mechanic WG-9** - The Maintenance Mechanic performs a variety of trades and labor work that is complicated or that requires specialized training and trade skills, including plumbing and electrical repair and installation. About seventy-five percent of the work involves lower level work including operating farm type equipment, carpentry work, painting and other semiskilled trade tasks. Cleaning and custodial work comprises approximately 5 to 10 percent of the work time of this position.

**Maintenance Mechanic WG-7** - This Maintenance Mechanic (Worker) performs less complicated trade tasks and repairs. Typical work includes painting, lock replacement and maintenance, and minor carpentry repairs. Approximately seventy-five percent of the work involves lower level work including tractor operation, grounds maintenance and custodial or cleaning tasks. The custodial work represents approximately fifteen to twenty percent of the work.

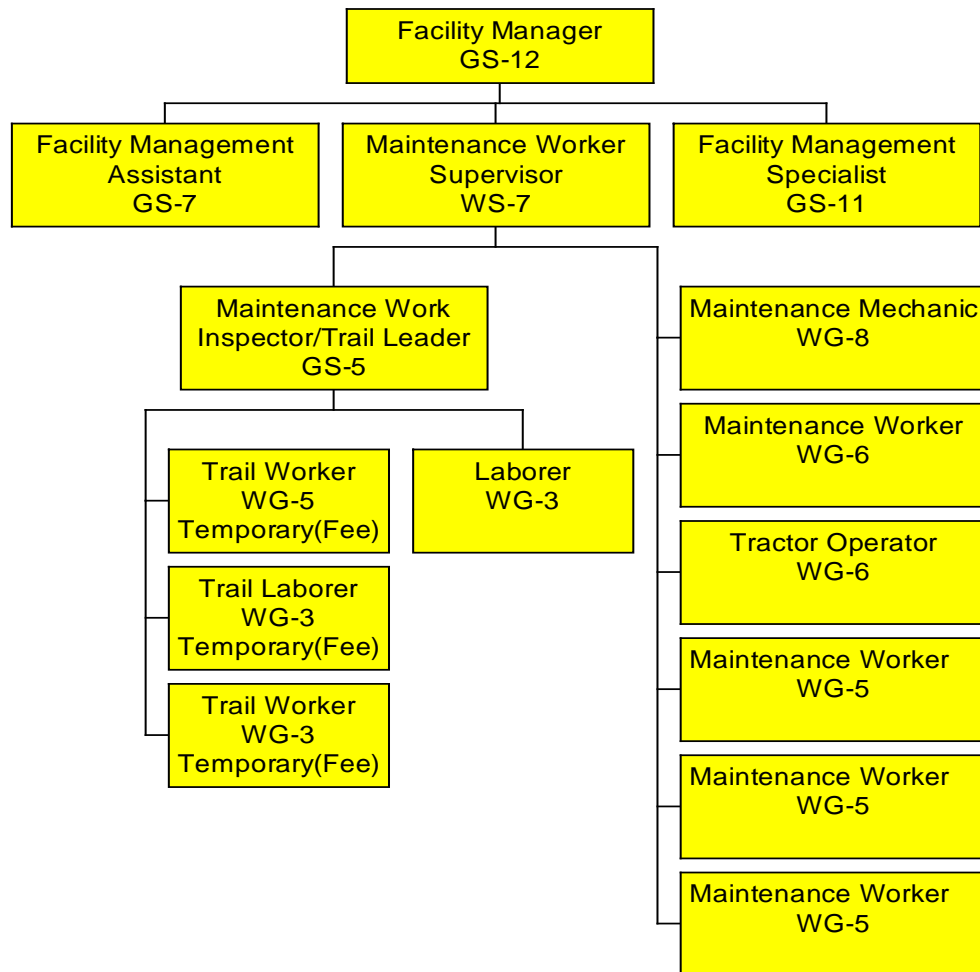
**Tractor Operator WG-6** - The Tractor Operator is the primary power equipment operator for tasks requiring simple digging, mowing, and materials handling. Approximately twenty-five percent of the work involves equipment operation. The remaining time is spent on custodial and cleaning tasks, including roadway and sidewalk litter and debris removal.

**Maintenance Worker Positions** – Four Maintenance Workers spend the majority (approximately 75 percent of their time) performing semi-skilled work including trash collection and removal, grounds keeping, and powered hand tool operation. Assignments



often involve work on roads, trails, and walkways. All of the Maintenance Workers are required to operate motor vehicles such as small truck and automobiles. Two of the maintenance worker positions are dedicated exclusively to routine cleaning at outlying developed areas of the park including the office complexes at the Island Ford and Indian Trail units of the park.

The organizational chart shown in Figure 6 and the position summaries were developed as a possible MEO based on the prospect of competitively sourcing custodial services for the Island Ford Unit of Chattahoochee River National Recreation Area. Although not specifically related to this competitive sourcing initiative, the proposed MEO also incorporates changes in other positions and procurement of certain skilled services from the private sector. These changes would help ensure the park makes the most effective use of available funding and personnel resources to accomplish the priority work of the park. The park's relatively low percentage of journeyman trades work and the ready availability of skilled trades services in the Atlanta metropolitan area were prime considerations in developing these changes. Position functions remain fundamentally the same with the exceptions described following the chart.



**Figure 9 CHATTAHOOCHEE MOST EFFECTIVE ORGANIZATION**

### **Position Changes**

**Maintenance Work Inspector, Trail Leader GS-5** - This is a new subject-to-furlough position established to provide oversight and inspection of the custodial work at the Island Ford Unit. The position also formulates and plans trails maintenance projects and provides oversight when funding is available to perform trails work. In the current organization temporary Federal government employees perform trails work. However, in

the future should the trails function be competitively sourced, this position would function as the contract work inspector for both the custodial and trails operations. The decision to establish this as a permanent position is based on the need to free higher graded maintenance personnel from responsibility for the custodial function and to provide continuity and better planning and administration of the trails maintenance function.

**Maintenance Mechanic WG-9 changed to WG-8** - This position was re-described to more accurately portray the nature of electrical and plumbing work required at Chattahoochee and to consolidate the majority of that work into one position. Higher-level work, such as designing and installing new systems, constitutes a small part of the work at Chattahoochee and would be acquired from private sector sources as needed. The duties of this position would not include custodial work other than that associated with the normal clean-up a tradesman is expected to complete after finishing a particular job.

**Maintenance Mechanic WG-7 to changed to Maintenance Worker WG-6** - This position was modified to better reflect the less complex nature of the carpentry and painting work required and to consolidate more of the semi-skilled work into one position. Any more skilled trades work would be assigned to the Maintenance Mechanic WG-8 or procured from private sector sources as appropriate. No custodial work would be required of the position except cleaning up after the completion of various accomplished skilled work tasks.

**Maintenance Mechanic Supervisor WS-9 changed to WS-7** - Based on classification standards and the complexity of the work supervised, the grade of this position is allocated at the WS-7 level. Primary duties and responsibilities of the position would be unchanged. This position would also supervise the work of the Trail Worker Leader.

**Trail Laborers WG-5 and WG-3** - Historically when funding has been available to hire a trails crew, the workers have been hired at the WG-5 level. The WG-5 grade is based on the requirement to operate motor vehicles including cars, vans, and light trucks to move personnel, equipment and materials, to use walk-behind power equipment, and to perform a limited amount of low-skilled painting, carpentry, and similar tasks. Most trails work is typical of the Laborer occupation at the WG-3 level. Generally the trails crew works as a unit with the Trails Leader. There is no valid work requirement that all of the crew be able to operate motor vehicles, operate more complex power equipment, and/or perform the low-skilled maintenance work. One temporary fee funded WG-5 trail worker position would be established to operate motor vehicles, operate power equipment, and perform any low-skilled maintenance work. Additional WG-3 trail worker positions would be established and filled as fee funding availability permits. The WG-3 positions would not drive motor vehicles on a routine basis. All trails workers perform trails maintenance work including lifting, moving materials, digging, raking, using a variety of hand tools, cutting and removing brush, and similar tasks.

**Maintenance Workers WG-5 4 positions changed to three positions** - The fundamental work of the Maintenance Worker positions would not change. However, the workers assigned to the Island Ford area would be relieved of most custodial duties.

**Laborer WG-3 -** A new laborer position would be established to perform custodial work at the Island Ford Unit. The work would include cleaning and janitorial tasks as outlined in the Primary Work Statement.

#### **PRIVATE SECTOR COST ESTIMATE**

The individuals preparing the private sector estimate cannot be the same individuals who calculated the government cost. The estimate can be developed through any of several means including documented market research of private sector custodial services in the Atlanta area, from quotations from private sector sources, or based on established rates in General Services Administration administered service contracts. The park can consult and coordinate with the Southeast Region Contracting Office to develop the estimated cost of private sector performance. The Contracting Office will assist the park in preparing and documenting the estimate.

#### **STEP THREE – MAKE THE PERFORMANCE DECISION**

The performance decision will be based on the best cost to provide acceptable performance. The park will coordinate with the Contracting Office to carry out the comparison of government and private sector costs, and to document and certify the

decision. The Southeast Region Contracting Office will prepare and issue the public announcement of the performance decision as appropriate.

#### **STEP FOUR – IMPLEMENT THE DECISION**

The Southeast Region Contracting Officer will carry out the performance decision. If the government “wins”, the park will implement the Most Effective Organization used for the government cost estimate. If appropriate, the Contracting Officer will issue a letter of obligation to the park. If the private sector “wins” the Contracting Officer will take the necessary steps to issue a contract to a private sector entity. Depending on the circumstances the contract award may involve issuing a contract solicitation, negotiating with 8A firms, or using an established General Services Administration Multiple Schedule Award contract.

## **CHAPTER 5**

### **CONCLUSIONS AND RECOMMENDATIONS**

This research demonstrates that small and medium park organizations can accomplish improvements in government performance by making minor modifications in established contracting procedures to employ streamlined competitive sourcing procedures. Accordingly, parks can use existing personnel to apply well-developed management skills and practices to accomplish the A-76 process. Application of this alternative will validate contracting decisions, result in improved efficiency and economy of government operations, and meet the current administration's management agenda and initiative to use competitive sourcing as a means to improve government performance. Using this approach, the National Park Service could not only improve operations, but could also stretch limited budget allocations to accomplish mission critical work.

Competitive sourcing in Southeast Region is a volatile and emotional initiative, the mandates and philosophy of which not only change frequently, but are also subject to legal and other challenges that emerge as the deadlines for implementation approach. The approach proposed in this research provides a means to accomplish improvements in government performance outside the planned full scope competitive sourcing studies of commercial facility and property management activities. The alternative approach would potentially meet goals for improved efficiency while minimizing the cost and adverse impacts of competitive sourcing studies on the organization and personnel.

Changes in the way any organization accomplishes work are difficult for those responsible for proposing and implementing the changes and for those who will ultimately be impacted by the changes. Any change that is derived through careful study and analysis will improve the overall function of the work entity. Small changes are more easily implemented and have less immediate and noticeable impact on the human resources of the organization. The procedures outlined in this document will result in incremental changes in the efficiency and economy of government work operations. The cumulative effects of these small changes will make a significant positive impact on how the National Park Service conducts the business of the government.

Applying the process demonstrated in this research would transform a routine practice used by many small parks into a system that would truly evaluate the effectiveness and efficiency of the organization. Because small parks regularly consider whether to “contract out” some functions, employing this process would ensure a regular re-evaluation of how well the work unit accomplishes work. Documenting the decision making process would also validate contracting and organizational decisions and facilitate decision processes by relating the structure of work unit to the work being accomplished.

## RECOMMENDATIONS FOR FUTHER STUDY

This research should be further validated by application of the proposal to similar work activities at Chattahoochee or other parks. Because of the small size of the work



activity evaluated in this research, analysis for potential improvements was essentially limited to cost reduction and better use of existing personnel resources. Depending on the particular work activity, the preliminary planning and decision processes should incorporate consideration of improvements in work technology. Because of the small size of most commercial activities, careful consideration would have to be given to the cost to benefit factor of exploring and implementing improved technology. However, there is the potential to incorporate at least minimal technical considerations by using resources within the National Park Service, other agencies, educational institutions, or private sector contacts to provide information and input, particularly during the preliminary planning phase.

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